

INDIGENOUS PROCUREMENT PROGRAM AND STRATEGY







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EXECUTIVE SUMMARY

Indigenous businesses are integral to the fabric of our community, contributing unique knowledge, cultural richness and economic value. Despite their significant contributions, they have low participation within The City of Calgary's supplier network. This gap reflects a missed opportunity to support economic reconciliation, foster inclusion and enhance the diversity of perspectives in our operations.

The Public Value through Procurement policy represents an innovative approach to municipal procurement. Instead of only prioritizing cost efficiency, the policy focuses on generating broader social, economic and community benefits. It positions public procurement as an essential tool for fostering inclusive growth and addressing systemic inequities. A central feature under this policy is the Indigenous Procurement Strategy, designed to expand opportunities for Indigenous-owned businesses and enhance economic outcomes for Indigenous communities.

The Indigenous Procurement Strategy will reduce barriers and improve the capability of Indigenous-owned businesses to participate in our procurement processes by integrating

Indigenous values into our internal procurement processes. This initiative aims to address economic inequalities and promote economic empowerment by increasing access to The City's procurement opportunities for Indigenous-owned businesses.

By embedding these principles, the strategy seeks to create an environment that drives long-term, systemic change. The goal is to nurture relationships built on mutual trust and respect, paving the way for meaningful economic reconciliation with Indigenous communities. This strategy underscores our dedication to creating opportunities that empower Indigenous-owned businesses and communities and support sustainable economic growth. It represents a pivotal step toward achieving equity and shared prosperity for all.

With deep appreciation, we thank the Elders, Knowledge Keepers and Indigenous-owned businesses and communities who have contributed to our Indigenous Procurement Strategy by sharing their lived experiences. We gratefully receive their teachings and guidance as we continue on this journey together.



LAND ACKNOWLEDGEMENT

In the spirit of Truth and Reconciliation, we acknowledge and appreciate the traditional territories of the Blackfoot Confederacy, made up of the Siksika (Seeg-see-kah), Piikani (Bee-gun-nee), Amskaapipiikani (Om-Skaa-bee-bee-Gun-nee) and Kainai (G-ai-nah) First Nations; the Îlethka Nakoda Wîcastabi (ee-YETH'-kah nah-COH'-dah WHISK'-ah-tah-bay) First Nations, comprised of the Chiniki (Chin-ick-ee), Bearspaw,

and Goodstoney First Nations; and the Tsuut'ina (Soot-tenna) Nation. The City of Calgary is also homeland to the historic Northwest Métis and to the Otipemisiwak (Oti-pe-MES-se-wa) Métis Government, Métis Nation Battle River Territory (Nose Hill Métis District 5 and Elbow Métis District 6). We acknowledge all Indigenous people who have made Calgary their home.





OUR COMMITMENT TO ECONOMIC RECONCILIATION

The City of Calgary is actively engaged in an ongoing journey of Truth and Reconciliation. A key part of this commitment includes the creation and implementation of the White Goose Flying Report (2016) and the establishment of the Indigenous Relations Office in 2020. The White Goose Flying Report identified several calls to action that we're uniquely positioned to implement. Through the foundation of our Social Procurement Program and the Public Value through Procurement policy, we will address the call focused on economic opportunity.

Council and Administration are committed to increasing the inclusion of Indigenous Peoples, businesses and communities in our procurement opportunities. This initiative is part of our broader Truth and Reconciliation commitments, demonstrating a proactive effort to build equitable and inclusive economic partnerships.

The development of our Truth and Reconciliation Action Plan will guide the development of our Indigenous Procurement Program. This approach embeds Indigenous voices and perspectives within our procurement framework.

INDIGENOUS PROCUREMENT PROGRAM OVERVIEW

Indigenous-owned businesses currently have low participation rates within The City's supplier network. To address this issue, the Indigenous Procurement Program was developed to implement a strategy to reduce barriers and improve the capability of Indigenous-owned businesses to participate in our procurement process.

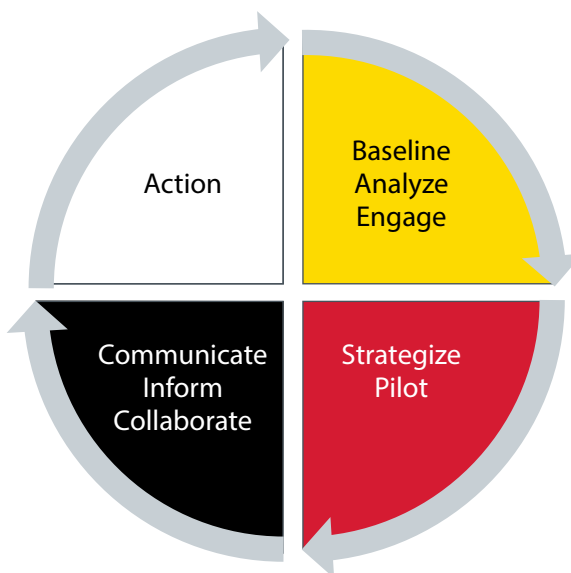
The program goal is to reduce barriers and improve the capability of Indigenous-owned businesses to participate in The City's procurement process.

Core principles: Several core principles were developed in conjunction with the **Indigenous Procurement Working Group** to guide the program. We're working to foster economic reconciliation and support Indigenous-owned businesses.

These principles include:

- **Reducing barriers and supporting Indigenous businesses:** The Indigenous Procurement Program focuses on reducing historical barriers that inhibit Indigenous economic capacity and fostering the capability of Indigenous-owned businesses to be part of The City's procurement processes.
- **Increasing Indigenous-owned business participation:** The program concentrates on increasing the number of Indigenous-owned businesses participating in The City's procurement processes. This enhanced engagement is expected to naturally result in more contracts being awarded and greater City spending with Indigenous-owned businesses.
- **Stronger collaboration to move forward:** A feedback cycle where the voice of Indigenous-owned businesses and communities is heard and acted on is central to the program's design.

PROGRAM APPROACH



- **Engagement, nothing about us, without us:** The Indigenous Procurement Strategy will be launched as a pilot through various procurement opportunities. Feedback from internal and external participants will help refine and guide the strategy's future development.

Indigenous Procurement Working Group

An eight-person representational advisory group, consisting of Elders, Knowledge Keepers and Indigenous business owners from the southern Alberta region, provided input, advice and recommendations to advance an Indigenous Procurement Program. The working group was formed to bring in the voices and lived experiences of the Indigenous communities and share deep conversations from which we listen, learn and grow.

We have established an agreement with an **Indigenous Knowledge Keeper** to promote meaningful engagement, reinforce the commitment to Truth and Reconciliation and support the sharing of inclusive knowledge. The Knowledge Keeper will play an integral part in enhancing engagement between The City and Indigenous communities, ensuring that Indigenous businesses are aware of and can access procurement opportunities.

The framework of the program is based on Indigenous teachings of the circle, which reflects the cyclical nature of life, the connection of all beings and teaches us about balance, harmony and interconnectedness. In a circle, we sit together, face to face, human being to human being, understanding that we are all part of a larger whole. The importance of connections and building relationships is a key part of the program.

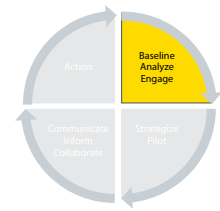
The cyclical framework of the Indigenous Procurement Program reflects the nature of relationships that build over time. It's punctuated with new opportunities to form relationships and procurement opportunities for Indigenous-owned businesses.

Indigenous Knowledge Keeper

An Indigenous Knowledge Keeper is a highly respected community member responsible for preserving and passing down essential cultural traditions, teachings and wisdom that have been shared across generations. They serve a vital role in safeguarding Indigenous history, language and customs while offering guidance and sharing their knowledge with others. Knowledge Keepers and Cultural Advisors do not gain their teachings on their own. Rather, they receive them through years of mentorship from Elders or other Knowledge Keepers. These teachings are considered sacred and are unique to each source from which they originate.



PHASE ONE: Foundation of the Indigenous Procurement Strategy (baseline, analyze, engage)



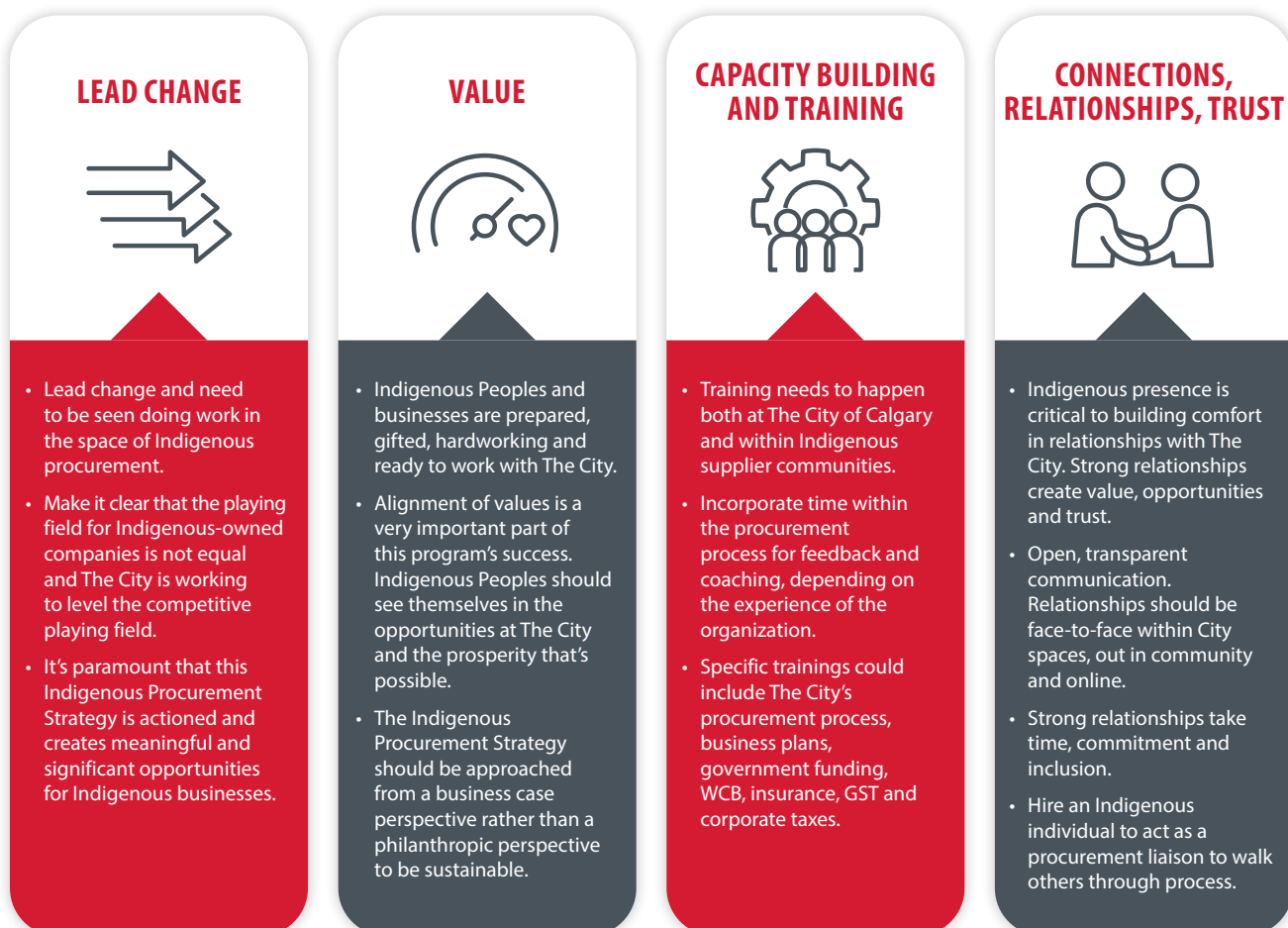
The first phase of the program emphasized ongoing learning, fostering connections and building relationships with various Indigenous business communities. Key activities during Phase One included:

- **Baseline evaluation:** Assessing The City's negotiated and awarded contracts with Indigenous-owned businesses to identify trends and areas for improvement.
- **Relationship building:** Through our involvement in the Indigenous Procurement Working Group, we developed meaningful relationships that evolved into trust-based

partnerships founded on mutual respect and cultural understanding. These connections created valuable opportunities for collaborative learning, knowledge exchange and personal development.

- **Engagement and *What We Heard*:** Deeply listening to and learning from the lived experiences shared by our Indigenous Procurement Working Group, Indigenous-owned businesses and communities to better understand the barriers they face when interacting with the public procurement process.

The *What We Heard* report identified four themes:





PHASE TWO: Development of the Indigenous Procurement Strategy (strategize and pilot)



The second phase is a vital step toward building strong and lasting partnerships with Indigenous communities.

The focus of this phase is on crafting a robust Indigenous Procurement Strategy, which involves embedding Indigenous values within The City's internal procurement processes. This strategic approach aims to cultivate an environment conducive to long-term systemic change. The overarching goal is to foster a shared relationship built on mutual trust and respect, acknowledging that this is a crucial pathway toward meaningful reconciliation with Indigenous communities. This phase highlights our commitment to creating opportunities that empower Indigenous communities and foster sustainable economic growth.

Phase Two builds on Phase One by implementing new strategies that focus on improving participation, transparency and collaboration with Indigenous-owned businesses. These measures include:

- Expanding outreach and engagement: Strengthening relationships and ensuring Indigenous businesses and organizations are heard through workshops, consultations and networking events.
- Streamlined processes: Simplifying our procurement process and procedures including clearer procurement guidelines and support resources to reduce barriers for Indigenous-owned businesses.
- Training programs: The Indigenous Procurement Team will support Indigenous-owned businesses by providing training programs and resources to improve their capabilities and enable their participation in procurement opportunities.
- Ongoing monitoring and accountability: Implementing a mechanism to track the progress of the strategy to ensure the program remains effective and transparent. Two key measurements of success include the number of Indigenous-owned businesses registered in The City's systems and the level of their participation in procurement opportunities.

PHASE THREE: Sharing the Indigenous Procurement Strategy (communicate, inform and collaborate)



The third phase focuses on implementing the strategy through effective internal and external communication, as well as fostering collaboration among City staff, potential suppliers, Indigenous-owned businesses and communities.



PHASE FOUR: Putting the Indigenous Procurement Strategy into practice (action)



The fourth phase emphasizes two key components essential for achieving the program's objectives: actions and continuous improvements. During this phase, the strategy will continue to evolve, focusing on reducing barriers and improving capability of Indigenous-owned businesses to participate in The City's procurement processes. This strategy will also ensure the work complies with public trade agreements and procurement law.

INDIGENOUS PROCUREMENT STRATEGY OBJECTIVE

The objective of The City's Indigenous Procurement Strategy is to increase the number of Indigenous-owned businesses who participate in our procurement process. The strategy is focused on reducing barriers that impact how Indigenous-owned businesses work with us.

We have developed the procurement participation maturity model as a framework to assess Indigenous participation in our procurement processes. The model is intended to support potential Indigenous-owned businesses in progressing from Level 5 to Level 1 within the framework. At each level, we have identified specific approaches to help address and manage the various barriers that may arise.

Procurement participation maturity model

The procurement participation maturity model is a framework created to evaluate potential supplier participation in The City's procurement processes, aiming to guide improvements and growth over time for increasing the participation level. Levels 5 through 1 of the model include approaches related to:



People



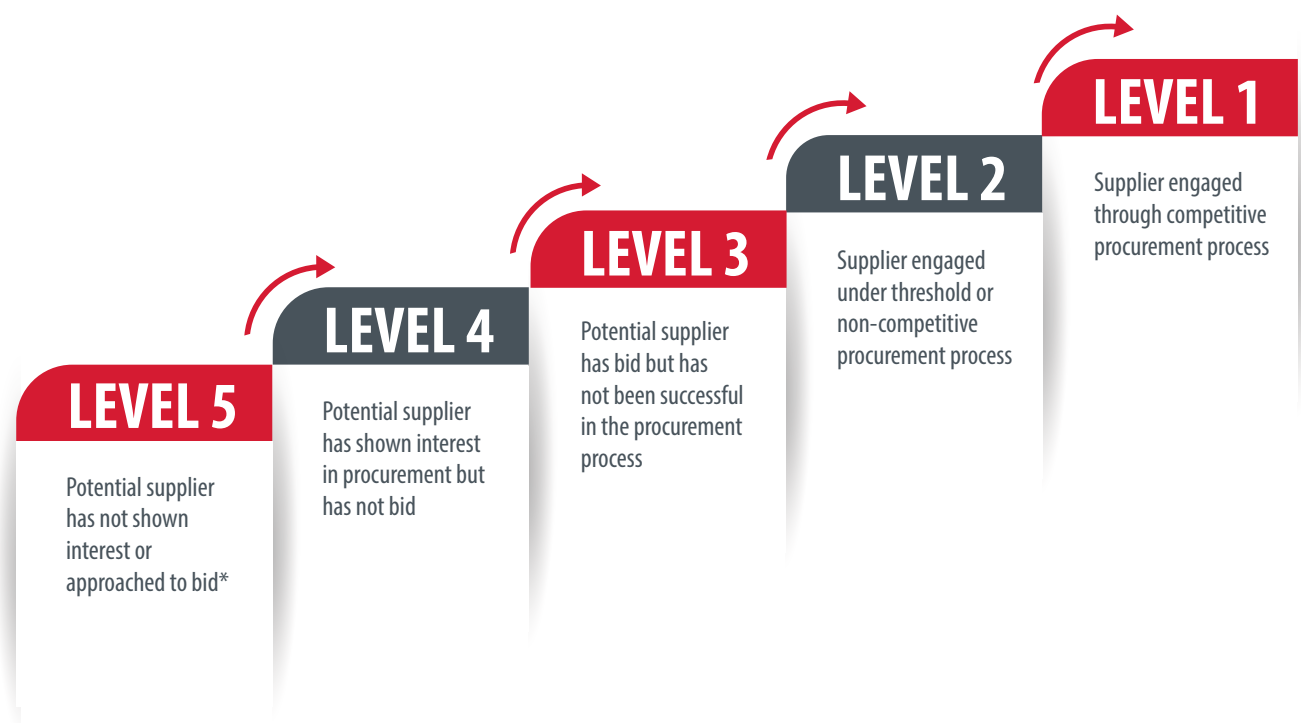
Technology



Process



Training and support



* In this document, "bid" is used as a general term. It refers to any procurement submission regardless of the sourcing strategy or contract type.

LEVEL 5

Potential supplier has not shown interest or approached to bid

Level 5 indicates that Indigenous-owned businesses are unaware of and not participating in The City's procurement opportunities. To address this gap in participation, the Level 5 approach explores the following elements:



People: Emphasizing the importance of establishing meaningful relationships with Indigenous communities, including their business development groups and Elders. Establishing these respectful connections will help strengthen ties with potential Indigenous-owned businesses, fostering greater participation in The City's procurement opportunities.



Process: Engagement and communication processes should be implemented both internally and externally. Internally, the process involves increasing awareness among City staff about the Indigenous-owned business market. Externally, it requires updating Indigenous local communities and their economic development affiliates on our Indigenous Procurement Program and its strategic approach.



Technology: We've reduced barriers by implementing various technologies and removing all fees, making it easier for both Indigenous-owned and non-Indigenous businesses to participate in the procurement processes. We have a dedicated team to help businesses navigate the bid submission process online.



Training and support: External training for Indigenous-owned businesses is essential. Training will focus on:

- Understanding The City's procurement process.
- Guidance on required documents for system registration and bidding.
- Navigating The City's contract management system and the province's Alberta Purchasing Connection (APC) systems to access procurement opportunities.

Additional internal training will be available to City staff on effectively engaging with Indigenous-owned businesses. This training will cover:

- Cultural awareness.
- Unconscious bias.
- The social procurement process.
- Developing varied evaluation criteria and scope for Indigenous-related projects, as well as other projects requiring Indigenous considerations. These can enhance Indigenous businesses' participation.
- Best practices for both competitive and non-competitive procurement, including under-threshold procedures.
- Offering debriefs to help identify areas for improvement.

LEVEL 4

Potential supplier has shown interest in procurement but has not bid

Level 4 identifies Indigenous-owned businesses registered in the procurement system. At this stage, these potential suppliers demonstrate a willingness to learn more about the strategy and its initiatives.

Level 4 indicates that Indigenous businesses are aware of The City's procurement opportunities and are engaged to bid on them. However, they have not submitted bids for any available procurement opportunities. To address this situation, this level's approach is structured around the following:



People: To advance opportunities for Indigenous-owned businesses, The City must present a unified voice. All contacts with Indigenous-owned businesses should be shared with the Indigenous Procurement Team, regardless of where the initial contact was made.

In turn, the Indigenous Procurement Team will provide City staff with a concise, refined list of potential Indigenous-owned businesses categorized by their specialized goods and services. This initiative fosters meaningful connections and strengthens business relationships in alignment with the Indigenous Procurement Program. By facilitating this collaboration, The City supports collaboration with Indigenous-owned businesses, ensuring their active participation in procurement opportunities across various business units.



Process: The Indigenous Procurement Team has been actively participating in different events organized by the Indigenous business associations and non-profit organizations that support Indigenous-owned businesses across the country. These efforts aim to build and strengthen relationships while raising awareness among local Indigenous communities and their business partners about our Indigenous Procurement Program.



Technology: The Indigenous Procurement Team works closely with Indigenous-owned businesses to support their participation in The City's procurement process. A key part of this support involves facilitating access to The City's contract management system, our primary procurement platform. The team provides clear, hands-on guidance to help businesses understand how the system works, including how to navigate posted procurement opportunities and submit responses effectively. In addition, the team strongly encourages Indigenous-owned businesses to register on Alberta Purchasing Connection (APC), an essential platform where many procurement projects are publicly posted. By registering on both systems, businesses ensure they are fully informed of available opportunities. Once registered and granted access, businesses receive regular notifications from both systems, helping them stay current and competitive in the procurement field.



Training and support: The Indigenous Procurement Team provides training to Indigenous-owned businesses on how to access The City's procurement systems and the Alberta Purchasing Connection (APC). This training includes guidance on navigating current procurement opportunities, fundamentals of preparing bids and, most importantly, understanding our terms and conditions for conducting business with The City.

LEVEL 3

Potential supplier has bid, but has not been successful in the procurement process

Level 3 focuses on Indigenous businesses who participated in the bidding process, but their bid was unsuccessful. To assist Indigenous businesses in understanding why their bids were unsuccessful, Level 3's approach includes the following:



People: The Indigenous Procurement Team will facilitate a debrief between the unsuccessful bidder and the respective business unit. This session aims to improve the bidders' understanding of the results and the scope of work requirements for each evaluation criterion.



Process: The Indigenous Procurement Team will participate in reviewing the evaluation criteria established by The City's business units for various projects. This review will take place before the business units approve the posting of procurement events, such as Requests for Quotation (RFQ) and Requests for Proposal (RFP), to the market. The Indigenous Procurement Team will ensure that the evaluation criteria for each project aligns with the Indigenous Procurement Strategy, emphasizing the importance of encouraging increased participation from Indigenous-owned businesses. This approach will assist in delivering meaningful benefits to business units and their projects while promoting opportunities for Indigenous-owned businesses.



Technology: Supply Management has updated the Social Procurement Questionnaire (SPQ). The SPQ was improved to address key challenges faced by the supplier community and City staff, making it more user friendly. Potential suppliers can easily submit their questionnaire, making it particularly beneficial for Indigenous-owned businesses.



Training and support: The Indigenous Procurement Team will provide tailored training workshops and expert advice to Indigenous-owned businesses on preparing a compliant bid. These initiatives are designed to help Indigenous businesses prepare competitive bids that align with The City's procurement criteria. The Indigenous Procurement Team will oversee the performance of Indigenous-owned businesses for each bid submission. Additionally, the team will provide regular updates to City staff regarding the progress of training initiatives and the accomplishments of Indigenous-owned businesses within our procurement system.

LEVEL 2

Supplier engaged under threshold or non-competitive procurement process

Our procurement policy allows us staff to obtain three quotes and engage with local suppliers, where possible, for certain under-threshold projects. This approach is considered part of the competitive procurement process and applies the following thresholds:

- Goods and services, consulting and information technology: \$75,000 or below.
- Construction: \$200,000 or below.
- Use of set-asides are included in this level.

The structure of the approaches under Level 2 includes the following elements:



People: Collaboration between City business units, Supply Management, and the Indigenous Procurement Team is key to ensuring inclusive and equitable procurement practices. The Indigenous Procurement Team will work closely with City staff to identify opportunities to engage Indigenous suppliers during the quote process. This includes providing guidance to business units on culturally appropriate engagement, supporting supplier identification and ensuring meaningful participation of Indigenous businesses. The team will also play an advisory role in strengthening relationships between City business units and Indigenous communities, fostering trust and long-term partnerships that reflect the values of the Indigenous Procurement Strategy.



Process: When Supply Management is involved in the under-threshold procurement quote process, the Indigenous Procurement Team will also take part in reviewing quotes obtained by City staff including Indigenous businesses. Supply Management will play an active role in advocating the value Indigenous-owned businesses bring to The City's work. Additionally, the Indigenous Procurement Team will support procurement activities conducted using a corporate credit card to align with the Indigenous Procurement Strategy, encouraging the participation of Indigenous-owned businesses.



Technology: The Indigenous Procurement Team will collaborate with Supply Management and IT services to enhance the visibility and accessibility of Indigenous suppliers through existing procurement systems. This includes tagging Indigenous suppliers within the contract management system, developing internal dashboards to track Indigenous suppliers' engagement based on supplier profiles and optimizing the quote collection process to ensure easier participation for Indigenous vendors.



Training and support: The Indigenous Procurement Team will support direct business negotiations between the business units and Indigenous suppliers. This involvement ensures that the Truth and Reconciliation goals of the Indigenous Procurement Program are achieved.

LEVEL 1

Supplier engaged through competitive procurement process

The implementation of the proposed approaches in Levels 5, 4, 3, and 2 of the procurement participation maturity model is designed to ultimately progress toward Level 1. It signifies that barriers to participation for Indigenous-owned businesses have been effectively overcome, resulting in their successful engagement in a large, competitively sourced contract with The City. To support this achievement, Level 1 incorporates the following key elements:



People: Reciprocal relationships have been established between City staff and Indigenous businesses, ensuring mutual contribution and benefit. These partnerships promote respect, trust and a shared understanding of each party's business needs. This leads to the successful awarding of various projects and positive engagement in competitive procurement processes.



Process: Indigenous suppliers are embedded within The City's procurement system. They participate with confidence and clarity, having gained a strong understanding of the procedures, evaluation criteria and submission requirements. As part of this process, City staff are encouraged to collaborate with Indigenous suppliers, inviting their inputs to refine and improve the strategy for future phases. This inclusive approach fosters economic growth and supports opportunities for Indigenous entrepreneurs.



Technology: Indigenous suppliers are already acquainted with our software for procurement processes. They are skilled in navigating the system and we encourage them to provide feedback from their now lived experience on further enhancements that can be made.



Training and support: Indigenous suppliers are:

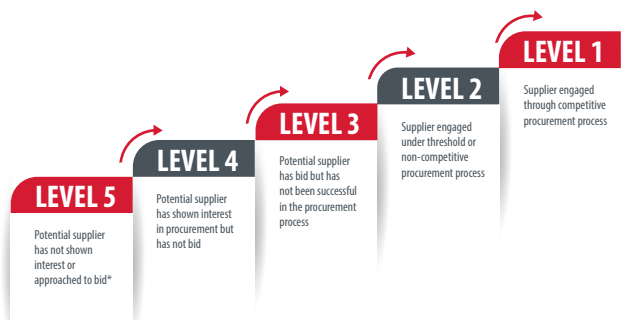
- Competitively engaged with The City's procurement process.
- Submitting bids that lead to successfully winning a contract.
- Contributing to The City's goal of economic reconciliation.

Reaching Level 1 represents a key milestone in The City's Indigenous Procurement Strategy. Indigenous-owned businesses become suppliers and compete equitably alongside non-Indigenous suppliers in a fair and transparent procurement process, advancing economic equity.

As part of Level 1, the Indigenous Procurement Team will support efforts to increase awareness of our Indigenous Procurement Strategy among The City's business units. We aspire to increase participation from Indigenous-owned businesses, including those from local communities and other nations in both under-threshold and above-threshold procurement opportunities, and Indigenous suppliers will complete contracts of all sizes with The City.

Measuring progress

Ongoing measurement is key to the success of The City's Indigenous Procurement Strategy. Metrics such as the number of registered Indigenous-owned businesses and their level of participation in the procurement process are tracked using the Procurement Participation Maturity Model, supporting continuous improvement and transparency.



Progress is assessed across the procurement lifecycle from identifying unengaged Indigenous suppliers to tracking expressions of interest, bid submissions, and successful contract awards. Early interest without bidding can signal barriers such as limited capacity or unclear processes, while submitted bids show growing readiness. Even unsuccessful bids offer valuable opportunities for feedback and development.

Participation through under threshold and non-competitive (set-asides) processes supports initial involvement, especially for smaller or emerging businesses. The highest maturity is demonstrated when Indigenous suppliers are awarded contracts through open competitions, reflecting equitable access and reduced systemic barriers. Tracking these stages over time informs strategies to advance Indigenous economic inclusion.





CONCLUSION

With gratitude and respect, we thank all the Indigenous Elders, Knowledge Keepers and those with lived experience that have contributed to the Indigenous Procurement Program and Strategy.

Together we created the Indigenous Procurement Program and Strategy to address the underrepresentation of Indigenous businesses in The City's supply chain.

Our collective goal is to reduce barriers and improve the capability of Indigenous-owned businesses to participate in our procurement processes, from small purchases to large-scale competitive bids.

The Procurement Participation Maturity Model is designed to cultivate meaningful relationships and leverage process, technology and training opportunities to promote measurable progress as Indigenous businesses advance through the levels of participation.

We remain committed to our shared journey of Truth and Reconciliation. This will be achieved by continuing discussions and building relationships with Indigenous communities and businesses focused on joint prosperity. This is one of the many initiatives The City of Calgary is investing in to advance the overarching objectives of reconciliation, equity and economic empowerment.

In the spirit of building relationships and continuing discussions, email us at indigenousprocurement@calgary.ca. For more information about the program, visit calgary.ca/IndigenousProcurement.

